

INFORMATION REPORT

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COUNTRY Argentina

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~~CONFIDENTIAL~~

DATE DISTR. 28 Apr 1949

SUBJECT Argentine Government Investigation of IAPI

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SUPPLEMENT TO
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1. Argentine government investigation of the Argentine Institute for the Promotion of Trade (IAPI) revealed that this government trading agency has spent over nine billion pesos with little or no government control. Four billion pesos of this amount are considered unaccountable or lost to the Argentine government.
2. IAPI currently is indebted to government banks in the sum of five and one-half billion Argentine pesos.
3. In August 1948, with only verbal authorization from the Casa Rosada, IAPI spent over eight and one-half billion pesos, principally for military equipment and supplies. No prior approval of the Contaduria General (General Accounting Office) was requested, and no War Department requisition for the purchase exists.
4. In addition to the above cited purchase, IAPI has:
 - a. Expended 20 million pesos for the Ministry of Interior for radio equipment for police use.
 - b. Purchased four properties in Buenos Aires worth 42 million pesos for the Ministry of Public Education.
 - c. Spent 23 million pesos for the Ministry of Navy buying up three hotels in Mar del Plata (the Gran, Monumental and Panoramic Hotels). It has further spent five million pesos to purchase naval equipment in the United States.
 - d. Advanced 150 million pesos for the purchase of expropriated enemy property by the Ministry of Foreign Affairs.
 - e. Allotted 509 million pesos for use by the Secretariat of Industry and Commerce. Of this sum, 3,200,000 pesos were used to purchase a building; 1,500,000 pesos were for salaries of workmen in the oil industry; 2,100,000 pesos were used to purchase the Hotel Uspallata for the Federation of Commerce Workers; and 148 million pesos were spent in buying up buildings in and around the city of Buenos Aires.
5. The following Argentine government officials are reported to have received funds from IAPI as follows:

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- 2 -

- a. Miguel Miranda, former economic czar, received three million pesos not yet accounted for.
- b. Juan Duarte received over one million pesos not accounted for.
- c. General Filomeno Velazco received about 500,000 pesos in return for a special favor.
- d. Mrs. Peron's social welfare project received over four million pesos. This fact has not been made public.
- e. The former head of the Secretariat of Industry and Commerce, Rolando Lagomarsino, received nearly one million pesos for his private use.
- f. Orlando Maroglio, ex-president of the Central Bank, received approximately 500,000 pesos for his personal use.
- g. Certain unidentified police officers have also received small sums of money for unknown uses.

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